

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
VICTORIA DIVISION**

In re: NITRO FLUIDS, LLC, <i>et al.</i> Debtors.¹	§ § § § § § § § §	Chapter 11 Case No. 24-60018 (CML) (Jointly Administered)
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**NOTICE OF CANCELLATION AND SUSPENSION OF AUCTION AND
DESIGNATION OF SUCCESSFUL BIDDER**

Debtors Nitro Fluids, LLC (“Fluids”), NFH Leasing, LLC (“Leasing”), and Straitline Pumps, LLC (“Straitline” and, collectively with Fluids and Leasing, the “Debtors”), as debtors and debtors-in-possession in the above-captioned chapter 11 cases, file this *Notice of Cancellation and Suspension of Auction and Designation of Successful Bidder* (the “Notice”) and respectfully give notice as follows:

PLEASE TAKE NOTICE that on June 27, 2024, the Court entered its *Order Approving (I)(A) Bidding Procedures, and (B) Assumption and Assignment Procedures; (II) Sale of Certain of the Debtors’ Assets Free and Clear of Liens, Claims, Interests, and Encumbrances; (III) Procedures for De Minimis Asset Sales; and (IV) Related Relief* [Docket No. 174].

PLEASE TAKE FURTHER NOTICE that on September 25, 2024, the Court entered its *Order Approving Amended Bidding Procedures and Granting Related Relief* [Docket No. 295] (the

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of the Debtors’ federal tax identification numbers, are Nitro Fluids, LLC (2119); NFH Leasing, LLC (9218); Straitline Pumps, LLC (4168). The location of the service address for Nitro Fluids, LLC and NFH Leasing, LLC is: 117 Broadway, Nordheim, TX 78141. The location of the service address for Straitline Pumps, LLC is: 13750 San Pedro Ave., Ste. 560, San Antonio, Texas 78232.

“Bidding Procedures Order”) with the *Amended Bidding Procedures* (the “Amended Bidding Procedures”)² attached as Exhibit 1 thereto.

PLEASE TAKE FURTHER NOTICE that, on October 21, 2024, certain of the Debtors entered into an Asset Purchase Agreement filed at Docket No. 336 (the “Stalking Horse Agreement”) with KLX Energy Services, LLC (the “Stalking Horse Bidder”) for the sale (the “Sale”) of the assets identified in the Stalking Horse Agreement (the “Purchased Assets”).

PLEASE TAKE FURTHER NOTICE that, the Amended Bidding Procedures and the Bidding Procedures Order provided, among other things, that “if no Qualified Bid (other than the Stalking Horse Bids) is received by the Qualified Bid Deadline, the Debtors will not conduct the Auction with respect to the applicable Acquired Assets, and shall file a notice with the Bankruptcy Court indicating that no Auction will be held with respect to the applicable Acquired Assets and the Stalking Horse Bidder will be named the Successful Bidder for the Applicable Acquired Assets.” Amended Bidding Procedures p. 13.

PLEASE TAKE FURTHER NOTICE that, the Debtors did not receive any Qualified Bids in respect of the Purchased Assets prior to the Bid Deadline, other than the Stalking Horse Agreement. In accordance with the Bidding Procedures Order, the Debtors have designated the Stalking Horse Agreement as the Successful Bid in respect of the Purchased Assets. As such, the Auction scheduled for October 29, 2024 is hereby cancelled in respect of the Purchased Assets.

PLEASE TAKE FURTHER NOTICE that, the Debtors will seek approval of the Sale to the Stalking Horse Bidder before the Honorable Christophe M. Lopez, United States Bankruptcy Judge for the Southern District of Texas at the Sale Hearing as previously noticed consistent with the Notice of Hearing filed at Docket No. 312.

² Capitalized terms used but not defined in this Notice have the meanings ascribed to such terms in the Amended Bidding Procedures.

PLEASE TAKE FURTHER NOTICE that, the Debtors did not receive any Qualified Bids in respect of assets other than the Purchased Assets. As such, the Auction scheduled for October 29, 2024 is hereby suspended and rescheduled until a date to be subsequently noticed by the Debtors.

Dated: October 27, 2024

Respectfully submitted,

/s/ Eric T. Haitz

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COUNSEL FOR THE DEBTORS

CERTIFICATE OF SERVICE

I certify that on October 27, 2024, a true and correct copy of the foregoing document was served via the Court's CM/ECF system.

/s/ Eric T. Haitz

Eric T. Haitz